

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

MINES & MINERALS – Mining Lease for Limestone over an extent of 4950.39 Acres in Sy.No.6/2, 16/1, 16/2, 17 & 18 etc, of Gottimukkala (V), Gurajala (M), Guntur District held by M/s Sanghi Cements Ltd – Declared as lapsed under Rule 28(1) of M.C Rules, 1960 – Orders – Issued.

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**INDUSTRIES & COMMERCE (M.II) DEPARTMENT**

G.O.MS.No. 1

Dated 03.01.2015

Read the following:

1. G.O.Ms.No.6, Industries & Commerce (M.II) Dept, dt.06.01.2006.
2. Govt. Memo No.4563/M.IV(2)/2010-3, Dt 05.10.2013.
3. From M/s Sanghi Cements Ltd.Dt 19.10.2013 received by the Government on 22.10.2014.
4. From the DM&G, file bearing No47095/R2-3/2009, Dt.31.10.2014.

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O R D E R:

In the reference first read above, Government had granted a Mining Lease for Limestone over an extent of 4950.39 Acres in Sy.No.6/2, 16/1, 16/2, 17 & 18 etc., of Gottimukkala (V), Gurajala (M), Guntur District for a period of (30) years in favour of M/s Sanghi Cements Ltd. Accordingly the Assistant Director Mines and Geology, Dachepalli had executed the mining lease on 26.07.2007 and issued work orders in favour of M/s Sanghi Cements Ltd. This mining lease is to be in force for a period of (30) years w.e.f. 26.07.2007 to 25.07.2037.

2. Based on the proposal furnished by the Director of Mines & Geology, Andhra Pradesh, Hyderabad, in his notes Dt 01.08.2013, Government have issued a notice vide reference 2<sup>nd</sup> read above, directing the Lessee Company viz., M/s Sanghi Cements Ltd., Sanghi Nagar, Hayathnagar, Hyderabad, R.R.District to show cause within (15) days from the date of receipt of the notice on why action should not be initiated under Rule 28(1) of Mineral Concession Rules, 1960 on the following grounds:

- i. The Lessee Company has not commenced the mining operations since inception of lease deed i.e., 26.07.2007;
- ii. The Lessee Company has not started the construction activity of the Cement Plant and also not started civil works with reference to buildings and fencing;
- iii. The Lessee Company did not obtain pattadar consents.

It was also mentioned in the notice that if they fail to reply, it would be construed that they have no explanation/ representation in the matter and further action will be taken on the basis of the material available with the Government.

3. The Director of Mines & Geology, Hyderabad has examined the reply received in the reference 3<sup>rd</sup> read above. DMG also reported that the ADMG has inspected the mining lease on 08.01.2014 and it was found to be non-working and the company has not given any notice to open the mine and the area has been kept idle. Even the patta land purchased has been kept idle without any surface crops. The Lessee Company has not submitted Environment Clearance. The Director of Mines & Geology, Hyderabad has recommended to declare the said mining lease held by M/s Sanghi Cements Ltd., for limestone as lapsed w.e.f. 26.07.2009 under Rule 28(1) of MC Rules, 1960 as the Lessee Company failed to set up the cement plant and also failed to submit a representation before the Government under Rule 28(2) of MC Rules, 1960.

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4. It should be noted in this regard that mineral wealth is the wealth of the nation and should be put to use for public good. Government gave mining lease in good faith so that the lessee could do mining scientifically within the prescribed time limits and use the mined mineral to set up a factory, produce cement and generate wealth. Such a mine would generate revenue for the State by way of taxes, employment for the local people and give boost to the overall economy of the region besides industrializing the area. None of these objectives could be achieved due to the abject failure of the lessee.

5. After careful consideration of the matter, Government have decided to declare the Mining Lease held by M/s Sanghi Cements Ltd., for Limestone over an extent of 4950.39 Acres in Sy.No.6/2, 16/1, 16/2, 17 & 18 etc., of Gottimukkala (V), Gurajala (M), Guntur District for a period of (30) years as lapsed as the lessee company has failed to fulfill the lease conditions and failed to set up of the Cement Plant as per Rule 28(1) of M.C.Rules,1960 and also failed in submission of representation before the Government, as per Rule 28(2) of MC Rules, 1960.

6. The Director of Mines & Geology, Hyderabad shall take necessary further action accordingly, in the matter.

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH]

**J.S.V. PRASAD,  
PRINCIPAL SECRETARY TO GOVERNMENT**

To

M/s Sanghi Cements Ltd., Sanghi Nagar, Hayathnagar (M),  
Hyderabad, RR District (RPAD)

The Director of Mines & Geology, Govt of A.P., Hyd (with connected file)

Copy to:

The Zonal Joint Director of Mines & Geology, Ongole.

The Deputy Director of Mines & Geology, Guntur.

The Assistant Director of Mines & Geology, Guntur.

The District Collector, Guntur.

The Secretary to Govt of India, Ministry of Mines, Sastry Bhavan,  
New Delhi – 110 001

The Controller General, Indian Bureau of Mines, Indira Bhavan,  
Civil Lines, Nagpur – 440 001

The Director General, Mines Safety, Dhanbad, Jarkhand.

The Regional Controller of Mines, Koti, Hyderabad.

SF/SCs (C.No.4563/M.II(2)/2010)

**//FORWARDED :: BY ORDER//**

**SECTION OFFICER**

